

House Bill 5786

Testimony by: Dr. Kenneth W. Bensen
President, Habitat for Humanity Michigan

I want to thank you for the opportunity to testify before you today on behalf of the future Habitat for Humanity Home owners and the 49 Habitat affiliates who operate ReStores in their local communities. These stores provide habitat for Humanity affiliates with over \$10,000,000 in revenue per year that is used to build houses for people at 30% to 60% of the area medium income.

For some time it has been apparent that some local tax assessors do not have clear guidance on whether to grant a tax exemption to the 501 © 3 affiliate that owns and operates a ReStore in their community.

In a recent survey conducted by Michigan Habitat we found the following:

46 ReStores reported. (3 have been added to the list since the survey)
27 affiliates do not operate a ReStore at the present time

1 Gift in Kind
25 Own their ReStore
17 Lease their ReStore
3 Did not respond

The leased ReStores pay taxes through their lease and are not part of this Bill

The 25 ReStores that the affiliate own their ReStore
21 are tax exempt
5 are not tax exempt

I encourage the passing of this bill to increase housing production in these 5 communities and other communities that will add ReStores.

The exempted tax dollars will be put into the construction or rehabbing of houses in the local communities.

This tax dollars will not be lost to the community as the home owner will pay taxes on their property. Last year the habitat homeowners paid over \$6,000,000 in property taxes.

These dollars will also be used to strengthen families, increase the value of the community and provide for a better community.

I encourage your approving House Bill 7586

Affiliate	Date Opened	Own/Lease	Tax Exempt	Square Footage
Alpena Habitat Restore	6/1/2005	Own	Yes	6,500
Anttrim County HFH Restore	9/1/2005	Own	No	4,000
Barry County HFH Restore	1/1/2003	Gift in Kind	No	15,000
Battle Creek Area HFH Restore	10/1/2000	Own	Yes	22,000
Bay County HFH Restore	9/1/2007	Lease	Yes	4,500
Blue Water HFH Restore	3/1/2001	Lease	No	6,500
Branch County HFH Restore	9/1/2006	Lease	n/a	5,000
Cheboygan County Restore	5/1/2006	Own	Yes	7,400
Clinton County Restore	2009	Own	Yes	14,000
Copper Country HFH Restore	9/1/2008	Own	We have not yet requested exemption, but neither have we been billed.	11,000
Detroit HFH Restore	11/1/2000	Lease	n/a	30,000
Genesee County HFH Restore	1/1/2006	Own	No	8,000
Grand Traverse Region Restore	7/1/2007	Lease	n/a	7,500
Greater Ingham HFH Restore	7/1/2006	Lease	n/a	7,000
Greater Jackson HFH Restore	4/1/2005	Own	Yes	4,000
Harbor HFH Restore	8/1/2003	Own	Yes	10,000
Hiawathaland HFH Restore	8/15/2008	Own	Yes	2,800
Hillsdale County Restore	?	?	?	?
Huron Valley HFH Restore	10/1/2006	Lease	No	15,000
Isabella County Restore	8/26/2008	Own	No	6,800
Kalamazoo Valley HFH Restore	10/1/2005	Own	Yes	10,000
Kent County HFH Restore	7/1/2004	We own 1 store and lease 2 others	The building we own is exempt and the two we lease are not.	17,000
Lake County HFH	8/1/2004	Own	Yes	5,000
Lakeshore Habitat Restore	10/1/2005	Own	Yes	10,000
Lansing HFH Restore	8/1/2000	Own	Yes	6,000
Lapeer County HFH Restore	11/4/2009	Lease	No	3,000

Affiliate	Date Opened	Own/Lease	Tax Exempt	Square Footage
Lenawee County Restore	2/1/2006	Own	Yes	4,200
Livingston County HFH Restore	10/1/2005	Lease	No	9,037
Macomb County HFH Restore	5/1/2005	Lease	We are not while leasing our current facility, our new facility will be tax exempt since we have purchased it.	5,000
Marquette County HFH Restore	5/1/2008	Own	Yes	12,000
Mason County Restore	6/15/2006	Lease	n/a	3,500
Menominee River HFH Restore	7/1/2007	Own	No	12,000
Midland County HFH Restore	8/1/2006	Lease	n/a	3,500
Monroe County Restore	2/1/2005	Own	Yes	5,000
Montcalm HFH Restore	10/1/2009	Own	Yes	?
Muskegon County HFH Restore	2/1/2004	Own	Yes	3,000
North Star HFH Restore	10/1/2008	purchasing pay mortgage	Yes	7,000
Northwest MI HFH Restore	3/1/2007	Lease	No	8,200
Oakland County HFH Restore	3/1/2006	Own	?	7,000
Ogemaw HFH Restore	11/1/2008	Lease	Yes	7,600
Oscoda County HFH Restore	?	?	?	?
Otsego County HFH Restore	7/1/2004	Lease	No	4,000
Roscommon County Habitat Restore	5/1/2008	Lease	No	6,500
Saginaw HFH Restore	11/1/2003	Own	Yes	5,231
Tri-Cities HFH Restore	?	?	?	?
Wexford HFH Restore	10/1/2005	Lease	pay 13% of the landlord's property tax under lease agreement	4,600